Mario A.	- 7.7	1 (Pa 1)	1. 4 19	5.7
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3 OCTOBER 19

BACKGROUND -- SUEZ DEVELOPMENTS

- Canal Operations. Ships are still moving through the canal with few abnormal delays. The special insurance rates, which were charged on ships plying the canal after seizure, have now been partially reduced.
 - A. Since 14 September, when most non-Egyptian employees quit, an average of about 37 ships per day have moved through the canal This compares with an average of 45 per day before the nationalization and an average of 40 per day thereafter.

NSA review completed

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25X1						
В.	The Egyptian a	uthor1tles now	claim to pay	e a toval	pilot force	E Si
	of over 200 on	duty or la tr	aining. This	figure is fact that	probably even among	
	the trained p	lots, relative	ly few are qu	nalified to	guide the	
25X1	larger ships.	1				
25X1						
		GUIDED	W THE CAN	P4 %		—

1. A Soviet pilot that a ship through for the first time on
2 October. The Egyptians have indicated that Soviet personne
will not be used on American vessels if the US objects.

5XI	
71,	Egyptian Military Activity, There have been no significant developments in the Egyptian miditary picture. (See Annex A). The
	specific whereabouts of the Soviet submarines believed operating in the Mediterranean is not known. Soviet Activities. Soviet propaganda over the last two weeks has
4.4.1	shown a stronger pro-Arab slant. One comment stated that, in the event of war over Suez, there was a danger of Israeli
· 	"provocations" against Egypt and other Arab states.
5X1	

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